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Automotive News

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Toyota wins Lexus name — for now

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — Toyota saved face and avoided, at least temporarily, immense financial losses when a three-judge panel last week let Toyota temporarily keep the Lexus name on its new luxury car division.

The eleventh-hour decision allowed Toyota to show the cars at their public debuts at the Detroit and Los Angeles auto shows, but it prohibits the use of the Lexus name in national advertising.

"We are gratified that the stay granted to Toyota on Jan. 2, by a federal appeals court judge, has been extended by the appellate court until a hearing on Toyota's appeal at the end of the month," said Bob McCurry, executive vice president of Toyota Motor Sales U.S.A.

"We remain optimistic that our appeal of the lower court's decision will ultimately be upheld, and we will be allowed to use the Lexus name for our new luxury cars."

On Dec. 30, U.S. District Judge David N. Edelstein ordered Toyota not to use the Lexus name because it conflicted with the name of Lexis, a computerized information service that belongs to Mead Data Central, based in Miamisburg, Ohio.

Edelstein said Toyota could use the name if it paid Mead damages and if its advertising pointed out the difference in the two businesses.

He also ordered Toyota to stay out of the computer business, where it might compete with Mead.

Toyota refused the compromise, served notice it will appeal and petitioned successfully for permission to use the name pending the appeal.

Both sides asked for an expedited appeal, which the judges accordingly scheduled for Jan. 30 in the U.S. Court of Appeals in New York.

Toyota's attorney, Arthur Gray, said that pending the appeal, Toyota doesn't plan to use the Lexus name in advertising other than in connection with the auto shows, and only in the cities where they're being held. The shows include Detroit, Los Angeles, Cleve-

see TOYOTA, page 6

AUTOMOTIVE NEWS/JOE WILKENS

An expanded Cobo Hall allowed import manufacturers to join domestics on the same floor

DETROIT: *Glamour, glitz and optimism meld at expanded auto show*

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Global automakers, bracing for the coming sales surge of luxury cars, sport-utilities and minivans, dazzled Detroit's first North American International Auto Show with their new weapons in the competitive wars.

The show — a showcase of rebirth and the industry's latest new direction — was a laser-dazzling, upbeat affair. And if product development is an indication, no one was more upbeat than automakers who see an overall market growth for the near future.

Consensus opinion: Look for 15 million U.S. car and truck sales in 1989, with surges in both the luxury market and in the sport-utility/all-purpose vehicle arena.

Not only did each of the Big 3 take the opportunity to show the latest in pricey, high-line vehicles, but they showed they could have fun, too, with concept cars and trucks that concentrated on the ever-expanding sport-utility and truck segments.

And don't forget the Japanese — not this year. Toyota and Nissan each brought heavy artillery for the coming luxury segment battle, simultaneously debuting at Detroit and Los Angeles shows their Lexus and Infiniti car lines that aim to slug it out with the Europe's best — including Audi's potent V-8, Volkswagen's 140 mph Corrado and Porsche's 911 Carrera 4, which also appeared at Detroit.

see SHOW, page 58

AUTOMOTIVE NEWS/JOE WILKENS

The Jeep ZJ production model will be similar to this sport-utility concept

A 'brother' for Cherokee

Jeep will add aero model and keep its 'classic'

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Chrysler Motors has finalized a long-range product plan that calls for Jeep to offer both a "classic" Cherokee and an "aero" Cherokee in the early 1990s.

The decision ends a debate within the company about how to update the current Cherokee without tampering with its so-called "Jeep-ness."

At its December meeting, the Chrysler Corp. board of directors approved a long-range product plan that calls for the retention of the present Cherokee with technological enhancements into the next decade but production as well of the Jeep-ZJ, a more aerodynamically styled sport-utility vehicle.

The ZJ production vehicle will be similar to the Jeep concept sport-utility that Chrysler unveiled last week at the North American International Auto Show in Detroit.

Chrysler's decision is similar to one reached by Ford Motor Co. when it decided to retain the rear-wheel-drive Ford Mustang and add to its lineup the front-wheel-drive Ford Probe, originally developed as a Mustang replacement.

see JEEP, page 61

Vans, utilities socked with a 25% tariff

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Importers of multipurpose vehicles may have to raise prices as a result of a U.S. Customs Service ruling last week that defines sport-utility and vans as light trucks subject to a 25 percent tariff.

The ruling, which went into effect Jan. 1, also reduces the attractiveness of using foreign trade subzones to import components in U.S. assembly of multipurpose vehicles. Those components now must be imported at their normal, higher duty rate rather than being assessed a 2.5 percent car duty when the finished vehicle leaves the subzone.

The decision, made in response to a request for guidance by American Suzuki Motor Corp., is expected to cause problems for a number of manufacturers, including Nissan, Mazda, Isuzu, Range Rover and Mitsubishi.

Other companies, such as Suzuki, which already imports its line of multipurpose vehicles as trucks, will be little affected.

Domestic makers hailed the decision, although the 25 percent tariff falls equally hard on captive imports of these vehicles.

Importers felt they were blindsided by the ruling and were scrambling last week to determine how to respond to it.

In diminishing the benefits of foreign-trade subzones, the decision affects both transplant- and domestic-run plants assembling vans and sport-utility vehicles. Chrysler, for instance, which uses Mitsubishi-built V-6 engines in its Caravan and Voyager minivans, will have to pay a 6 percent duty on those engines rather than the 2.5 percent car tariff on the imported content.

Most duties on these types of automobile parts fall in the 6 percent to 8 percent range.

Prior to the ruling, importers had been able to class multipurpose vehicles, including light vans and sport-utility vehicles, as either cars or trucks. Importers that shipped multipurpose vehicles as cars merely equipped them with rear seats. To ship the same vehicle as a truck, the importer needed only to remove the rear seats, perhaps reinstalling the seats once the vehicle entered the United States.

This flexibility was a boon to Japanese companies seeking a way to boost sales under Japan's voluntary restraint agreement on passenger cars. The arrangement also benefited companies like Range Rover, which imports its four-wheel-drive vehicle as a passenger car, thus avoiding the 25 percent tariff.

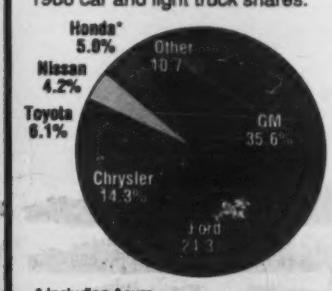
"We're investigating what's going on, it's too early to comment," Charles Hughes, chairman of Range Rover of America, said late last week of the decision. His reaction was typical among the importers, although a later statement from Range Rover indicated the company was going to seek a ruling that "will preserve our present Customs rate."

The company, which imported 3,427 vehicles in 1988, is the most expensive vehicle in this class, at $35,800.

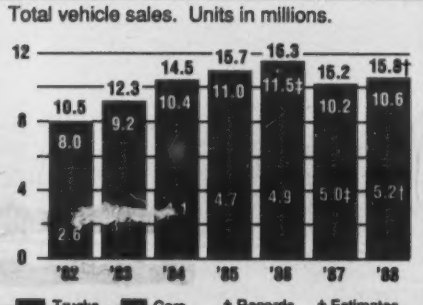
see TARIFF, page 6

1988 sales at a glance

1988 car and light truck shares.



Total vehicle sales. Units in millions.



Complete sales details on Pages 4 and 6

Big 3 on '89: Good but not great

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

Big 3 economists generally agree that 1989 is going to be a good year with moderate economic growth in the United States, little chance of a recession and new-vehicle sales near 1988 levels.

Two of the Big 3's corporate economists predict 1989 new-vehicle sales will be slightly lower than in 1988; the other sees a sales year virtually as strong as 1988.

Ford is the most bullish, just as it was one year ago in its 1988 forecast. Ford predicted sales of 15.4 million for 1989, including 10.2 million cars and 5.2 million trucks.

The official 1988 total is 15,789,011.

General Motors predicts new-vehicle sales "approaching 15 million" in 1989, rounding them off to 10 million cars and 5 million trucks. Chrysler sees sales of 15 million — also 10 million cars and 5 million trucks.

The prediction of Donald P. Hilty, Chrysler Corp.'s economist, is based on one possible scenario — the most likely one, Hilty said, with a 60 percent probability of slower but sustained economic growth.

Chrysler has sales forecasts that accompany three other possible economic scenarios, one of which — at a 25 percent probability — is a recession.

see FORECAST, page 36

Audi awaits 'no defect' from NHTSA

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — The head of Audi of America expects NHTSA will announce soon that a lengthy study has uncovered no defect that causes unintended acceleration.

The report, which was authorized by NHTSA 15 months ago, "will endorse the automatic shift lock as the most effective answer to an industrywide problem," said Richard Mugg, vice president in charge of Audi of America. The device, which is now used on Audis with automatic transmissions, requires the brake pedal to be depressed before shifting from park.

Audi won't emerge unscathed, however. Although no mechanical or electronic flaw will be cited, the report will conclude that pedal confusion caused some accidents, Mugg said.

Audi has been at the heart of the controversy that has seen cars with automatic gearboxes accelerate out of control. Drivers have claimed that their foot was on the brake, not the gas pedal.

A spokesman for Mercedes-Benz, which with Audi is one of six manufacturers currently being investigated for the problem, said he also senses that the report will indicate "there are no gremlins that cause spontaneous acceleration in cars."

NHTSA ordered the study in October 1987. It commissioned the Transportation Research Systems Center of Cambridge, Mass., a government-sponsored organization independent of NHTSA, to carry it out.

The study intended to study the overall phenomenon of unintended acceleration. It also attemped to judge the effectiveness of the shift lock. Audi now offers the device on all new models with automatic transmission and has installed it on others through recalls. In 1987, Nissan announced a recall to install shift locks on its 280-ZX and 300-ZX models.

A NHTSA spokesman declined to comment until the study is released. The Mercedes spokesman said the study was to have been completed at the end of last month. It was then going to be sent to government agencies for review.

Donald Petersen, left, and Edsel Ford, chatting amiably AUTOMOTIVE NEWS/JOE WILDSMITH

Whither Ford family?

Fourth generation wants bigger role

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Ford Motor Co. Chairman Donald Petersen said the company is breaking new ground as it seeks to define a role for the fourth generation of Ford family members, but he insisted that any promotions to top management will be based on merit.

Petersen's comments last week came in the aftermath of a Fortune magazine article that said the young Fords are yearning for a bigger role in company affairs.

The Jan. 16 cover story also said the two newest family members on the board — Edsel Ford II and William Clay Ford Jr. — are at odds with Petersen and are miffed by what they see as their second-class status on the board.

Edsel, 40, is general sales manager of Lincoln-Mercury Division. Billy, 31, is managing director of Ford of Switzerland. The two great-grandsons of the company's founder were named to the board a year ago this month.

Petersen said the Ford family, as holders of 40 percent of the voting stock in the company, is one of the many constituencies that he, as chief executive, must serve. But that status won't give any of them an inside track to top management positions.

"One of my obligations is to work very hard to make available as many fully qualified individuals as I possibly can," said Petersen, who is due to retire in 1991. "The more choices the company has, the better off the company is."

That approach "clearly does not exclude Edsel Ford or Billy," Petersen said.

"I admire the way that both of them are working so very hard to see just how far they would go climbing the ladder of professional management."

The question of the fourth-generation's role took on urgency with the death of Edsel's father, former Chairman Henry Ford II, in September 1987. The Fortune article said that Billy's father, Vice Chairman William Clay Ford, persuaded Petersen to put Edsel and Billy on the board.

"We have never been here before," said Petersen, referring to the debate over the fourth generation's voice. "So we are having a lot of discussions about it in a very informal way." Petersen said those conversations have included himself, Edsel, Billy and Billy's father.

After the cousins' board appointments, several experts on corporate management said the move carried a number of risks.

The two Fords would be far less experienced than their peers on the board, the experts said. There were doubts about whether they would have any meaningful input.

It also was suggested that a good measure of their clout would be the types of committee assignments they would hold in several years. So far, neither has been given a committee seat.

After Petersen met with reporters, he approached Edsel, who was watching amid the Lincoln-Mercury products at the North American International Auto Show. They shook hands, posed for photographers and chatted amiably about the L-M display.

Pace of incentives doesn't slow down

By Laura Clark
AUTOMOTIVE STAFF REPORTER

Domestic automakers continued their non-stop pace on consumer incentives last week by freshening rebate programs.

Ford Motor Co., Chevrolet, Buick, Oldsmobile and Pontiac announced new rebates on 1988 and 1989 cars and trucks.

Audi of America also began offering direct consumer rebates to clear inventories of its 1988 Audi 80 and 90 models. The new rebates are in addition to scaled back dealer rebate programs.

AUDI: To attempt to clear its stock of 1988 Audi 80s and 90s, Audi is offering $2,500 customer rebates through March 31.

Audi will also continue to offer various factory-to-dealer incentives. In an attempt to move cars with manual transmissions, the company is reimbursing dealers $1,000 for any front-wheel-drive five-speed 80/90 models. It is giving $500 on automatics and Quattro (four-wheel-drive) editions.

The program took effect Jan. 1.

Before then, Audi had been giving dealers $1,000 to $2,500 on each 80 or 90. It still has about 4,000 of the 1988 models left.

BUICK: Buick announced rebates on 1988 Regal models and five 1989 car models in a program that began Jan. 5 and expires March 2. Consumers can receive $500 on 1988 Regals, $400 on 1989 Century and LeSabre models, $500 on 1989 Skylark and Regal and $750 on 1989 Electra/Park Avenue.

Both retail sales and leases are included. No dealer participation is required. While the rebates apply to ordered cars, the vehicle must be delivered before the cutoff date.

CHEVROLET: Chevrolet announced new consumer cash incentives on 1988 and 1989 cars and is extending incentives on truck models until Jan. 15. The truck program was scheduled to end Jan. 8.

In a program which began Jan. 5 and expires Feb. 28, consumers can receive $1,000 on 1988 and 1989 Celebrity models equipped with four-cylinder engines, $600 on 1988 or 1989 Celebrity models equipped with six cylinder engines, $400 on 1988 or 1989 Corsica and Beretta models, $300 on 1988 and 1989 Cavalier models, $600 on 1988 and 1989 Spectrum models with manual transmissions, $400 on 1988 and 1989 Spectrum models with automatic transmissions and $400 on 1988 Sprint models.

The truck program which was extended to Jan. 15 offers buyers $600 on 1988 or 1989 R/V full-sized pickups, $400 on 1988 and 1987 S/T compact pickups including EL price-leader models, $500 on 1989 S/T pickups including EL models, $400 on two-wheel-drive S-10 Blazers and $600 on 4wd S-10 Blazers.

There is no dealer participation required and both retail sale and lease vehicles are eligible. Customers must take delivery before the expiration date.

FORD MOTOR: Ford extended all of its national incentives on selected 1988 and 1989 cars until Jan. 12 in a program that was slated to end Jan. 4. Ford also announced one change, excluding certain Ranger models, in its national truck incentive program.

Consumers can receive $300 on 1988 and 1989 Festiva L models, $400 on 1988 and 1989 Festiva L Plus and LX models with manual transmissions, 1988 and 1989 Mustang models sold in California that are not equipped with 2.3-liter engines, $500 on 1988 and 1989 Escorts, 1988 and 1988 Mustangs with 2.3-liter engines, 1988 and 1989 Taurus, $600 on 1988 and 1989 Sable, 1988 and 1989 Tempo and Topaz and 1988 Thunderbird and Cougar, $750 on 1988 and 1989 Tracer and $1,000 on 1988 Thunderbird Turbo Coupe and Cougar XR7 and $3,000 on 1988 Merkur XR4Ti.

Truck incentives include: $300 on 1988 Bronco II 4x2, $400 on 1989 Bronco II 4x2 and 1988 Bronco II 4x4, $500 on 1988 and 1989 standard-sized Aerostar models, 1989 Ranger models except Ranger S and those Rangers equipped with manual transmissions, $600 on 1989 Bronco II 4x4, $750 on 1988 Rangers and 1989 Rangers equipped with manual transmissions excluding Ranger S.

OLDSMOBILE: Oldsmobile announced its "New Generation of Savings" program for selected 1988 and 1989 Oldsmobile models from Jan. 5 to Feb. 28.

Oldsmobile is offering consumers $300 on 1989 Cutlass Calais models that are not equipped with the Quad 4 engine; $400 on 1989 Cutlass Ciera models including Cutlass Cruiser wagons; $500 on 1989 Cutlass Calais models equipped with the Quad 4 engine, 1988 and 1989 Cutlass Supreme models and 1989 Eighty-Eight Royale; $750 on 1989 Ninety-Eight Regency and Touring Sedan; and $1,500 on 1989 Toronado and Trofeo models.

There is no dealer participation. fee. Buyers can order eligible vehicles but must take delivery before the expiration date.

Also, Oldsmobile is offering West Coast buyers of 1988 or 1989 Cutlass Supremes two free round-trip airline tickets on United Airlines anywhere the airline flies in the continental United States, as well as Honolulu, Hawaii. There is dealer participation in this program through association ad funds. Included in the promotion are portions of Idaho, Washington, Oregon, Nevada and California.

PONTIAC: Pontiac also announced a new round of national incentives on 1989 models and regional incentives on 1989 Firebirds.

Consumers can receive $400 on LeMans except for the LeMans value leader and 6000 models; $500 on Grand Am, on Firebird in selected southern and western areas of the United States and on Bonneville; and $1,000 on Grand Prix.

States included in the Firebird program are: North Carolina, South Carolina, Tennessee, Georgia, Florida, Alabama, Arkansas, Mississippi, Louisiana, Oklahoma, Texas, Washington, Oregon, California, Montana, Idaho, Nevada, Utah, Arizona, Wyoming, Colorado and New Mexico.

There is no dealer financial participation required. Both retail and lease vehicles are eligible. Consumers may order eligible vehicles from the factory but must take delivery before the expiration date.

Automotive News Staff Reporter David Versical contributed to this report.

Sunrise group finds investors; extended deadline does trick

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — A four-franchise dealer group on Long Island has apparently succeeded in attracting investors in a limited partnership.

Sunrise Auto Partners, which consists of four franchises held by John Branham, began soliciting investors last June.

Branham's four dealerships are Autoplaza Nissan and Westbury Dodge in Westbury, N.Y.; and Sunrise Toyota and Oakdale Mitsubishi in Oakdale.

The offering was intended to raise between $34 million and $60 million by selling partnership shares for $90,000 each, according to documents distributed by Smith Barney, Harris Upham & Co.

The private sale of the shares was to be completed Sept. 30, but the deadline was postponed to Dec. 31 because the $34 million minimum hadn't been met.

However, the minimum investment apparently was reached before the later deadline expired.

Branham and his financial advisers said earlier that Securities and Exchange Commission rules forbid comment on pending offerings.

And while the December deadline had already come and gone, they said last week they still couldn't comment on the offer.

The offer of partnership shares reportedly remained available as of last week.

If the minimum units hadn't been sold by Dec. 31, the Smith Barney documents said the sale "shall be deemed rejected."

The limited partnership formed by Branham's dealerships would be privately held, but its books would be available for investors to scrutinize, and the group could ultimately offer stock to the public.

Some analysts view the move as a preliminary step toward public ownership.

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DOMESTIC CAR SALES

	Dec. 21, to Dec. 31, 1988	Same Period, 1987	Dec. 1988	Same Month, 1987	Jan. 1 to Dec. 31, 1988	Same Period, 1987
Alliance	0	608	0	1,121	4,418	24,770
Eagle	0	197	0	525	1,392	4,564
Premier	1,152	192	3,076	192	40,872	192
Total Eagle	1,152	997	3,076	1,838	46,682	29,526
Horizon	1,290	1,227	3,242	2,848	61,142	46,460
Sundance	2,681	2,119	7,377	5,214	89,218	75,883
Turismo	0	96	0	230	1,115	16,991
Reliant	2,177	3,916	6,117	10,768	109,858	105,919
Acclaim	924	0	1,921	0	3,506	0
Caravelle	70	1,081	164	2,886	12,903	36,077
Gran Fury	310	172	881	470	13,315	7,782
Total Plymouth	7,452	8,611	19,702	22,418	291,059	289,112
Laser	0	0	0	0	0	4,308
LeBaron K	85	1,153	221	2,832	20,113	54,746
LeBaron J	3,109	3,440	7,663	9,004	99,833	87,802
LeBaron GTS	238	796	577	2,191	15,169	30,939
Fifth Avenue	654	2,021	1,541	5,635	35,967	58,270
New Yorker C	3,788	1,677	11,339	4,343	83,622	8,581
New Yorker E	16	1,004	35	2,372	14,550	50,479
Total Chrysler	7,890	10,091	21,376	26,377	269,254	295,125
Omni	1,531	879	3,544	2,529	59,864	37,726
Shadow	2,766	2,232	7,042	5,978	91,090	77,066
Charger	0	103	0	219	1,022	18,032
Daytona	1,469	2,125	4,197	4,819	72,171	41,776
Aries	2,504	4,076	7,010	9,723	102,489	99,039
Lancer	130	523	345	1,410	10,032	22,422
Spirit	1,418	0	3,158	0	3,950	0
Diplomat	599	388	1,437	997	20,414	12,775
Dynasty	4,490	1,023	11,455	1,779	83,012	3,092
Dodge 600	76	973	187	3,156	11,943	36,346
Total Dodge	14,983	12,322	38,375	30,610	455,787	348,294
CHRYSLER MOTORS	31,477	32,021	82,529	81,243	1,062,782	962,057
Escort	14,692	10,962	31,739	28,017	387,815	392,360
Mustang	5,653	4,417	12,747	11,368	170,080	172,602
Tempo	9,928	7,035	23,610	19,904	285,141	219,296
Taurus	13,377	13,264	31,544	32,843	374,627	354,971
Thunderbird	5,502	4,217	10,235	9,770	117,866	132,623
Probe	3,727	0	9,800	0	77,783	0
Crown Victoria	3,361	2,890	8,624	8,143	114,212	118,034
Total Ford Div.	56,260	42,785	128,299	109,845	1,527,504	1,389,886
Lynx/Tracer	1,609	1,707	3,833	4,760	58,921	66,938
Topaz	3,603	1,815	8,429	4,918	92,723	63,200
Sable	4,160	3,576	9,277	9,200	119,218	104,518
Cougar	3,190	2,964	7,121	7,248	100,961	110,722
Capri	0	0	0	0	0	0
Marquis	0	0	0	0	0	2,510
Grand Marquis	3,055	2,890	7,794	8,252	114,385	113,972
Total Mercury	15,617	12,952	36,454	34,378	486,208	463,860
Continental	2,653	2,177	6,314	2,227	47,424	12,909
Lincoln	3,765	3,930	10,386	10,880	121,674	126,009
Mark VII	742	700	1,931	1,967	22,526	27,119
Total Lincoln	7,160	6,807	18,631	14,974	191,624	166,037
Total L-M Division	22,777	19,759	55,085	49,352	677,832	629,897
FORD MOTOR CO.	79,037	62,544	183,384	159,197	2,205,336	2,019,783
Skyhawk	768	1,065	1,731	2,749	26,056	38,651
Somerset/Skylark	1,943	1,470	3,954	3,913	58,346	67,078
Century	5,638	3,265	12,887	9,021	131,994	147,797
Regal	4,537	3,579	8,805	9,971	122,871	63,853
LeSabre	6,046	3,377	11,851	10,779	141,440	141,126
Peatta	279	0	585	0	4,514	0
Electra	2,678	3,495	6,316	10,732	84,453	82,719
Riviera	792	403	1,835	795	11,750	16,187
Total Buick	22,661	16,574	47,944	47,960	581,424	557,411
Cimarron	119	185	222	507	5,884	12,295
Allante	44	97	123	276	3,065	2,517
Seville	935	420	2,170	2,050	22,439	21,515
DeVille	7,429	3,516	15,810	9,915	157,218	146,174
Brougham	1,328	1,411	3,673	4,585	46,743	57,313
Eldorado	1,280	1,022	2,729	2,463	31,199	21,470
Total Cadillac	11,135	6,651	24,727	19,785	266,548	261,284
Chevette	0	27	0	109	205	16,957
Geo Prizm/Nova	1,863	1,299	4,982	3,679	96,866	134,956
Cavalier	10,528	9,534	29,063	30,695	306,257	307,028
Camaro	4,077	2,582	8,768	6,914	101,695	117,324
Celebrity	8,281	7,269	21,490	22,533	252,661	306,480
Corsica/Beretta	13,130	7,134	27,286	18,859	380,301	214,074
Monte Carlo	173	1,589	842	4,347	28,740	63,577
Caprice	5,328	4,871	15,133	14,962	172,993	177,344
Corvette	806	791	1,527	2,229	23,281	25,437
Total Chevrolet	44,886	35,088	109,292	103,828	1,363,181	1,363,157
Firenza	17	736	758	1,569	9,148	17,626
Calais	3,855	2,650	8,434	6,400	105,117	101,861
Cutlass Ciera	6,986	6,287	15,863	16,025	237,386	244,607
Cutlass Supreme	4,944	1,682	10,442	4,287	116,179	92,779
Olds 88	4,662	3,961	10,095	10,820	156,205	168,853
Olds 98	2,579	3,028	5,546	7,548	73,348	72,001
Toronado	448	364	868	1,062	14,887	16,667
Total Oldsmobile	23,491	18,706	52,006	47,731	715,270	714,394
Fiero	449	712	798	1,973	24,121	41,830
Pontiac 1000	0	5	0	45	154	4,826
Sunbird	3,320	1,651	7,283	4,853	85,573	79,014
Firebird	1,862	1,574	4,112	4,107	58,493	73,190
Grand Am	12,014	5,671	23,054	13,312	232,010	211,192
Pontiac 6000	3,332	2,631	7,561	7,908	97,926	120,373
Grand Prix	4,949	189	9,416	2,476	102,206	16,383
Bonneville H	3,621	3,041	8,406	9,441	107,967	102,377
Paris./Safari	171	199	383	580	6,647	10,077
Total Pontiac	29,718	15,673	61,013	44,695	715,119	659,262
GENERAL MOTORS	131,911	92,792	294,962	263,997	3,641,542	3,555,538
HONDA	15,374	13,492	31,427	29,192	375,625	316,618
Civic	6,610	4,072	14,016	9,117	127,581	86,533
Accord	8,764	9,420	17,411	20,075	246,044	230,085
MAZDA	1,377	573	2,577	985	31,331	1,671
NISSAN	3,479	2,718	7,882	5,485	112,125	119,678
TOYOTA	9,391	3,514	12,349	7,080	72,354	44,853
VOLKSWAGEN*	0	1,709	0	3,517	24,939	61,064
DOMESTIC TOTAL	272,046	209,363	615,130	550,676	7,526,034	7,081,262
IMPORT TOTAL			261,635	287,811	3,065,404	3,144,048
INDUSTRY TOTAL			876,765	838,487	10,591,438	10,225,310

*—U.S.-built Volkswagen models sold after June 30, 1988, are included in import totals.

Car-truck sales 2nd highest ever

By Philly Murtha and Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTERS

Calendar 1988 turned out to be the second best year ever for combined U.S. car and truck sales, trailing only 1986.

It was the fifth consecutive record for light-truck deliveries and car sales topped last year's total.

Total sales were 15,789,071, consisting of 10,591,438 cars and 5,197,633 trucks. That compared with the 1987 total of 15,182,122 — 10,225,310 cars and 4,956,818 trucks.

Last year's sales were strengthened because incentives became permanent fixtures, and the U.S. economy remained buoyant with another 3.7 million people employed in the calendar year.

"Auto sales moved right along with the economy. All the fundamentals pointed to it being a strong year. The factor that made it the second best year was heavy incentives," said Michael Luckey of the Luckey Consulting Group Inc., Creskill, N.J.

The Big 3 U.S.-based car companies continued to reach into their pockets to provide incentives for customers. It paid off. All three reported gains over the 1987 calendar year and they also boosted car and truck market shares.

General Motors held onto the overall car and light-truck lead with 35.64 of the market, up from 1987's 35.00 percent share. GM gained about 2½ points in the truck market but lost over a third of a point in car share.

The biggest winner was Ford Motor Co. Ford collared 1.03 percentage points more of the car and light-truck market in 1988. It claimed 24.26 percent of the market. In 1987, Ford's market share was 23.23 percent. But its light-truck lead slipped a bit in 1988.

Another first for Ford in 1988: Ford Division bested Chevrolet in both car and truck deliveries. In 1987, Ford was tops in trucks and domestic cars, but Chevrolet took the car-sales honors when captive imports were included.

Chrysler Motors took a larger 14.28 percent share of the car and truck market by selling about as many light trucks, Jeeps and minivans as it did cars in 1988. In 1987, it took 13.52 percent of the market.

Three of the four major Japanese

see SALES, page 6

MARKET SHARES, DEC. 1988

	Total Sales	Pct. of Total
SUBCOMPACT	80,987	9.24
COMPACT	168,480	19.22
INTERMEDIATE	254,774	29.06
STANDARD	107,676	12.30
SPECIALITY	3,013	0.34
IMPORT	261,635	29.84
TOTAL	876,765	100.00

MARKET SHARES, 1988

	Total Sales	Pct. of Total
SUBCOMPACT	981,247	9.26
COMPACT	2,089,753	19.73
INTERMEDIATE	3,031,052	28.62
STANDARD	1,369,001	12.93
SPECIALITY	54,981	0.52
IMPORT	3,065,404	28.94
TOTAL	10,591,438	100.00

IMPORTED CAR SALES

	Dec. 1988	Dec. 1987	12 Mos., 1988	12 Mos., 1987
Acura	9,830	10,439	128,238	109,470
Alfa Romeo	359	432	4,476	6,300
Audi	1,306	1,836	22,943	41,322
BMW	7,169	6,744	73,359	87,839
Chevrolet	9,012	11,616	116,435	137,211
Chrysler	492	509	9,873	11,217
Daihatsu	823	0	11,460	0
Dodge	3,410	3,421	52,521	57,357
Ford	5,738	3,712	69,167	26,750
Eagle	2,292	1,847	19,315	13,991
Honda	33,008	40,496	265,122	312,218
Hyundai	21,352	19,345	264,282	263,610
Isuzu	1,522	3,790	24,520	39,587
Jaguar	2,040	2,848	20,727	22,919
Maserati	17	90	733	932
Mazda	17,668	18,649	224,719	206,354
Mercedes-Benz	6,647	7,762	83,727	89,918
Mercury	782	636	15,261	14,301
Mitsubishi	5,483	5,185	70,075	67,954
Nissan	31,163	29,664	360,745	409,476
Peugeot	492	954	6,704	9,422
Plymouth	2,794	3,026	46,803	51,763
Pontiac	6,501	2,910	64,037	35,564
Porsche	1,227	1,281	15,737	23,632
Saab	2,700	3,103	38,490	45,105
Sterling	382	911	8,822	14,171
Subaru	12,749	15,324	155,946	175,864
Suzuki	490	0	734	0
Toyota	56,917	72,679	616,529	583,809
Volkswagen	10,115	11,662	143,861	130,641
Volvo	5,604	4,010	98,497	106,539
Yugo	1,531	2,840	31,546	48,812
TOTAL	261,635	287,611	3,065,404	3,144,048

*—Volkswagen totals include U.S.-built models sold after June 30, 1988. Sales charts compiled by Karen Dabrowski

U.S. CAR SALES BY MARKETING UNITS

	Dec. 1988	Percent Share	Dec. 1987	Percent Share	12 Mos., 1988	Percent Share	12 Mos., 1987	Percent Share
Alfa Romeo	359	0.04	432	0.05	4,476	0.04	6,300	0.06
American Honda	74,265	8.47	80,127	9.56	768,985	7.26	736,306	7.22
BMW	7,169	0.82	6,744	0.80	73,359	0.69	87,839	0.86
Buick	47,944	5.47	47,960	5.72	581,424	5.49	557,411	5.45
Cadillac	24,727	2.82	19,785	2.36	266,548	2.52	261,284	2.56
Chevrolet	118,304	13.49	115,442	13.77	1,479,616	13.97	1,500,396	14.67
Chrysler	21,868	2.49	26,976	3.22	279,127	2.64	306,342	3.00
Daihatsu	823	0.09	0	0.00	11,460	0.11	0	0.00
Dodge	41,785	4.77	34,031	4.06	508,308	4.80	405,651	3.97
Eagle	5,368	0.61	3,685	0.44	65,997	0.62	43,517	0.43
Ford	134,037	15.29	113,557	13.54	1,596,671	15.08	1,416,636	13.85
Hyundai	21,352	2.44	19,345	2.31	264,282	2.50	263,610	2.58
Isuzu	1,522	0.17	3,790	0.45	24,520	0.23	39,587	0.39
Jaguar	2,040	0.23	2,848	0.34	20,727	0.20	22,919	0.22
Lincoln	18,631	2.12	14,974	1.79	191,624	1.81	166,037	1.62
Maserati	17	0.00	90	0.01	733	0.01	932	0.01
Mazda	20,245	2.31	19,634	2.34	256,050	2.42	208,025	2.03
Mercedes	6,647	0.76	7,762	0.93	83,727	0.79	89,918	0.88
Mercury	37,236	4.25	35,014	4.18	501,499	4.73	478,161	4.68
Mitsubishi	5,483	0.63	5,185	0.62	70,075	0.66	67,954	0.66
Nissan	39,065	4.46	35,129	4.19	472,870	4.46	529,154	5.17
Oldsmobile	52,006	5.93	47,731	5.69	715,270	6.75	714,394	6.99
Peugeot	492	0.06	954	0.11	6,704	0.06	9,422	0.09
Plymouth	22,496	2.57	25,444	3.03	337,862	3.19	340,875	3.33
Pontiac	67,514	7.70	47,605	5.68	779,156	7.36	694,828	6.80
Porsche	1,227	0.14	1,281	0.15	15,737	0.15	23,632	0.23
Saab	2,700	0.31	3,103	0.37	38,490	0.36	45,105	0.44
Sterling	382	0.04	911	0.11	8,822	0.08	14,171	0.14
Subaru	12,749	1.45	15,324	1.83	155,946	1.47	175,864	1.72
Suzuki	490	0.06	0	0.00	734	0.01	0	0.00
Toyota	69,266	7.90	79,759	9.51	888,863	8.50	628,662	6.15
Volvo	5,604	0.64	4,010	0.48	98,497	0.93	106,539	1.04
VWoA	11,421	1.30	17,015	2.03	191,743	1.81	233,027	2.28
Yugo	1,531	0.17	2,840	0.34	31,546	0.30	48,812	0.48
TOTAL	876,765	100.00	838,487	100.00	10,591,436	100.00	10,225,310	100.00
TOTAL GM	310,495	35.40	278,523	33.22	3,822,014	36.08	3,726,313	36.47
TOTAL FORD	189,904	21.66	163,545	19.50	2,289,764	21.62	2,060,834	20.15
TOTAL CHRYSLER	91,517	10.44	90,136	10.75	1,191,294	11.25	1,096,385	10.72
TOTAL JAPANESE	223,908	25.54	236,948	28.50	2,449,523	23.13	2,387,552	23.35
TOTAL EUROPEAN	39,589	4.52	47,990	5.72	574,561	5.42	688,616	6.73
TOTAL KOREAN	21,352	2.44	19,345	2.31	264,282	2.50	263,610	2.58

Big 3 totals include their captive imports. Percent share may contain errors of one or two points due to rounding.

SALES

FROM PAGE 4

manufacturers with transplant operations here sold more U.S.-built and import cars and light-trucks in 1988 although their combined share of the market slipped to 17.43 percent from 18.47 in 1987.

Honda and Mazda sold more domestic and imported vehicles in 1988, and both had slightly larger shares of the U.S. market. Honda's combined car share was 4.97 percent vs. 4.96 percent in 1987, and Mazda rose to 2.26 percent from 2.23 percent.

Despite its sales increase, Toyota's share of the car-truck market dipped to 6.05 percent from 6.27 percent in 1987. Nissan's total car and truck share declined to 4.15 percent from 1987's 5.01.

The 1988 total of 15,789,071 cars and trucks was 3.99 percent or 606,949 units ahead of the 15,182,122 vehicles sold in calendar 1987.

Trucks set another sales record in 1988, accounting for nearly a third of total vehicle sales. An estimated 5,197,633 trucks were sold compared to 4,956,818 in 1987.

Light-trucks set another record with sales of 4,872,633 units during 1988, up 4.37 percent or approximately 204,000 units from calendar 1987's 4,668,483.

New U.S.-built and imported car sales in the calendar year climbed 3.58 percent to 10,591,438 from 10,225,310 in calendar 1987.

Bolstered by a strong 11.70 percent December gain, sales of U.S.-built cars climbed to 7,526,034 units in the 1988 calendar year; 6.28 percent ahead of last year's 7,081,262 domestic car deliveries.

Six of the eight U.S. automakers reported sales increases for the year. Among the Big 3, Chrysler reported a 10.47 percent increase in U.S. car sales; Ford's deliveries rose 9.19 percent and GM sold 2.42 percent more cars.

Nissan was the only transplant to report a loss. It sold 6.31 percent fewer U.S.-built cars in calendar 1988. Mazda, selling domestic cars for the full year, reported an 18-fold gain. Toyota rose 61.31 percent; Honda, 18.64 percent.

Imported-car sales dropped 2.50 percent for the calendar year. There were 3,065,404 import cars sold vs. 3,144,048 in 1987. The imports accounted for 28.94 percent of the U.S. car market, down nearly two points from 30.75 percent in calendar 1987.

Major gains in import car sales were reported by Ford and GM captives and Toyota. Major import car losses belonged to Audi, Porsche and Yugo.

In December, car sales rose 4.57 percent to 876,765 from 838,487 a year earlier. Domestic car manufacturers sold 615,130 cars, up 11.70 percent from 550,676 in 1987. The import total, however, dipped. Import car sales fell 9.09 percent to 261,635 from 287,811 in 1987. Import car makers took 29.84 percent of December's total car sales vs. 34.33 percent in the same month a year ago.

Domestic light-truck sales dropped slightly in December, but ended calendar 1988 with another record.

December sales of 381,411 reflected a slight 1.06 percent decline from like 1987, largely because of a slowdown in incentive activity. A major new Chrysler incentive program that kicked off Dec. 21 is expected to help bolster the industry's sales this month.

Calendar 1988 was a banner year for domestic truck manufacturers who gained both unit sales and market penetration at the expense of the importers.

As Thomas Mignanelli, Nissan executive vice president, pointed out, "The compact truck buyer is a price sensitive customer. The bulk of those vehicles are sold on the entry price level, and when you have a $1,000 disadvantage you can't reverse that."

Foreign-based truck manufacturers lost more than 4 percentage point of market share in calendar 1988, their penetration of the light truck market dropping to 14.46 percent from 18.59 percent in 1987.

On a volume basis, their sales of 704,377 light trucks in 1988 were off 18.86 percent from 868,057 a year earlier.

Meanwhile, U.S.-based manufacturers' sales of 4,168,256 trucks in 1988 were up 9.68 percent from 3,800,426 the previous year.

All the U.S.-based manufacturers set records for the year.

Ford set a total light, medium and heavy truck record, as well as a new light-duty high.

Its total truck sales of 1,523,215 were up from 1,453,225 in 1987.

Its light-duty sales of 1,462,087 were up from 1,398,969 in 1987.

Chevrolet also set a new total truck sales record of 1,354,491, up from 1987's 1,191,848 and the previous high of 1,317,467 in 1978.

Chevrolet's light-duty sales of 1,336,407 were up from 1,173,675 in 1987 and the previous high of 1,272,985 recorded in 1978.

Chrysler Motors' total light truck sales of 1,016,763 topped the previous peak of 916,566 in 1987.

Dodge' sales of 571,036 topped calendar 1987's 567,326, the former record. Plymouth's 192,273 topped 1987's 140,799, also the previous record.

And Jeep's 253,454 topped 1987's previous high of 208,440.

GMC's 352,999 was also a new high, up from 1987's previous high of 311,217.

LIGHT-DUTY TRUCK SALES

	Dec. 1988	Dec. 1987	12 Mos. 1988	12 Mos. 1987
Vans	12,827	13,333	187,710	184,413
Aerostar	14,758	12,153	184,578	159,149
Club Wagon	2,217	2,433	27,818	27,300
Ranger	17,641	21,516	298,578	385,295
Bronco	5,443	5,062	55,124	51,782
Bronco II	9,425	9,842	124,109	120,905
Pickups	44,737	47,746	594,169	550,125
Ford	107,049	112,055	1,482,087	1,398,969
Vans	8,087	10,517	121,691	114,635
Sportsvan	783	1,041	12,336	11,979
Geo Tracker	886	0	2,145	0
Astro	11,084	10,761	156,833	148,205
S-10	18,517	18,314	248,788	274,807
S-10 Blazer	17,625	11,267	184,500	163,064
El Camino	0	374	420	13,743
Blazer	2,446	2,596	27,180	30,850
Suburban	6,222	5,087	66,897	57,982
Pickups	43,396	37,846	515,637	416,221
Chevrolet	108,016	97,778	1,336,467	1,173,875
Vans	4,446	4,178	59,341	64,265
Ram Wagon	1,902	2,671	25,693	30,505
Voyager	15,280	13,309	192,273	140,799
Caravan	18,416	14,909	210,918	153,192
Mini Ram Van	1,316	1,290	19,222	13,851
Ram 50	2,840	3,815	53,283	65,593
Raider	755	1,155	7,861	19,539
Ramcharger	1,914	1,968	19,309	23,667
Dakota	7,132	6,831	93,396	99,045
Pickups	6,858	8,817	82,013	97,670
Chrysler	68,899	69,888	763,369	798,126
Vans	2,665	3,713	45,249	38,565
Safari	2,152	2,963	33,168	32,232
S-15	3,927	4,666	52,575	49,191
S-15 Jimmy	3,984	4,550	44,533	38,841
Jimmy	644	977	7,820	8,598
Caballero	0	58	60	1,705
Suburban	2,006	1,921	22,744	19,110
Pickups	10,514	12,169	141,329	115,839
P Model	299	437	4,145	5,602
W-4	152	160	1,576	1,534
GMC	26,343	31,614	352,999	311,217
Wrangler/CJ	3,485	3,451	42,076	30,663
Wagoneer	895	938	9,136	12,305
Cherokee	13,985	12,423	149,566	112,005
Grand Wagoneer	1,384	1,439	14,482	14,079
Comanche	2,163	3,348	37,971	38,061
J-10/J-20	0	70	221	1,327
Jeep	21,912	21,669	253,454	208,440
Toyota	19,430	25,003	247,077	303,783
Nissan	14,309	15,393	189,591	216,514
Mazda	6,381	8,436	93,287	123,899
Isuzu	8,756	4,856	90,405	86,990
Mitsubishi	3,302	4,179	43,516	51,882
Suzuki	3,610	5,092	57,064	81,349
Subaru	8	9	10	1,274
Range Rover	444	381	3,427	2,586
Imports	56,232	63,261	784,377	868,057
Industry Total	381,411	385,495	4,872,633	4,668,483

Compiled by Karen Dellenvall

TARIFF

FROM PAGE 1

He said it was too early to determine how much the price would increase as a result.

"It'll hurt us," said Garrett J. (Mike) Nash, Mitsubishi Motor Sales of America's vice president of marketing. "A four-wheel-drive vehicle is a big ticket item. Adding 25 percent to the vehicle will hurt.

"We sold about 8,000 Monteros in 1988 and we expected to sell about 15,000 this year," he added. "Last year Montero accounted for about 7 percent of our sales and this year we project it to be about 10 percent of our volume."

The Suzuki-Isuzu joint venture in Layfayette, Ind., also intended to benefit from flexible classification by classifying sport-utility vehicles built at the plant for Isuzu as passenger cars, Commerce Department records show. The Customs Service ruling means the joint-venture can expect to pay an estimated $20 extra per vehicle in tariffs, according to those documents.

The venture plans to produce 24,000 units in its first phase, meaning nearly $500,000 in added annual tariff costs.

Also covered by the rule is the joint minivan venture by Nissan Motor Co. and Ford Motor Co. in Avon Lake, Ohio.

The Ford-Nissan project would produce 135,000 minivans a year, with a large share of the components coming from Japan.

A Nissan spokesman said the company has not yet gauged the impact on the venture.

Flexible classification had been criticized by domestic manufacturers and MVMA as well as the UAW and the chairman of the House Energy and Commerce Commission, John Dingell, (D-Mich.). All had asked Customs to put an end to the practice because it circumvented Japanese export restraints if they were imported as trucks and the 25 percent tariff on imported trucks if they were imported as cars.

While the tariff helped quota restrained manufacturers like Suzuki and Isuzu to import sport-utility vehicles as trucks, other manufacturers like Nissan, which recently have not been able to meet car quotas, began shifting a greater mix of the sport-utility vehicles into their car imports in order to hit their numbers. Nissan imported 30,000 Pathfinder sport-utility vehicles last year as passenger cars.

Michael Lane, a U.S. Customs official, estimated the ruling would mean hundreds of millions of dollars in additional revenue to the U.S. Treasury. According to industry statistics, approximately 250,000 vehicles will be covered by the ruling annually, he said.

Lane said the decision coincides with adoption by the United States of the harmonized system of tariff schedules on Jan. 1. The system, adopted under the Trade Reform Act of 1988, provides for only two classes of motor vehicle imports; those used principally for the transport of persons, including station wagons and racing cars; and, motor vehicles for the transport of goods.

Range Rover's Hughes said that under the harmonized tariff schedules in Europe, Range Rover is classified as a passenger car. Yet Range Rover appeared on Customs Service field instructions listing all the affected vehicles.

Lane said the ruling will probably "work to the advantage of some importers and the disadvantage of others depending on how long they have been in this game and what part of the quota they have."

Steve Collins, MVMA director of international trade, said the organization is pleased with the decision.

"We have maintained for some time the criteria used by the Customs Service for classification of these vehicles should be based on structural and design features and not cosmetic features that can be easily manipulated by importers."

In Tokyo, officials of the Japan Automobile Manufacturers Association expressed shock and suprise over the decision. It said it regretted the decision.

Japanese government officials expressed "serious concern" over the classification change. The Ministry of International Trade and Industry is due to make a decision soon on the possibility of another year of voluntary export restraints on passenger cars. The MPV decision is fueling a recent spurt of rumors that the restraints will be lifted.

UAW economist Steve Beckman said the Customs Service decision "seems like an accurate reading of the harmonized system," but said the union is still concerned about unchecked Japanese shipments of multipurpose vehicles to the United States.

VEHICLES AFFECTED BY CUSTOMS RULING

- Dodge Raider
- Dodge Vista 4wd
- Dodge Caravan
- GM Geo Tracker
- Isuzu Trooper II
- Isuzu Amigo
- Mazda MPV
- Mitsubishi Montero
- Mitsubishi LS Van
- Nissan Pathfinder
- Nissan Stanza 4wd
- Nissan GXE Van
- Plymouth Vista 4wd
- Plymouth Voyager
- Range Rover
- Suzuki Samurai
- Suzuki Sidekick
- Toyota 4Runner
- Toyota Landcruiser
- Toyota LE and Deluxe Vans
- Volkswagen Vanagon

TOYOTA

FROM PAGE 1

land, St. Louis and Houston.

Officials said in earlier testimony Toyota plans to spend $18 million to $23 million for advertising in the first nine months of 1989, just for advertising time and space. Production costs and ad agency fees increase the total advertising budget to between $40 million and $70 million.

Charles Faruki, Mead's lawyer, argued that even in the absence of Lexus advertising, press publicity surrounding the auto shows was just the sort of thing Mead was trying to prevent when it sued Toyota last April.

Faruki said Mead's Lexis is planning to introduce several new products in the next few months, and publicity for Toyota's Lexus would diminish the impact of Mead's advertising.

Edelstein cited a New York law against "dilution" of a trademark, regardless of possible confusion or competition.

Faruki said Mead notified Toyota in October 1987 that it would object to the use of the Lexus name.

Once Mead notified Toyota of its objection, Lexus Senior Vice President Jim Perkins made four trips to Mead headquarters to negotiate a settlement. Perkins said Mead Data Central President Jack W. Simpson "wanted to work out a win-win situation."

Gray said that Toyota believed at the time that Mead's case "had no merit, and we still think so."

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ECONOMIC FORECAST

Analysts look for year's car sales to dive half a million

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Auto analysts see a slump in vehicle sales in 1989 as interest rates climb and the economy cools a bit from its heated pace of 1988.

An Automotive News survey of 10 analysts indicates that car sales in the United States will total 10,025,000 this year. While that's well below the 10,570,000 projected for 1988, it would still mark the sixth consecutive year the industry has topped 10 million.

Truck sales will soften at a slightly lower rate, analysts believe. An average of estimates points to just below 5.0 million

Beale: "We're looking for a real slowdown in consumer durable spending"

units, down nearly 4 percent from an anticipated 5.2 million for 1988.

The decline will likely stem from an interplay of economic forces.

The scenario can be summarized like this: The Federal Reserve will continue to tighten the money supply to limit inflation and keep the economy from overheating. Higher interest rates will keep some consumers from buying. Demand for cars and trucks will slip.

Consumers may find a silver lining in those clouds, however. Several analysts predicted that automakers will resort to aggressive incentives to keep their share of the market from shrinking.

Campbell: The Acura line will grow stronger and Honda should gain from added output in Ohio

Which automakers manage to hang on to their shares will be another question.

If the analysts are right, however, General Motors will be able to chalk up 1989 as the year it finally reverses its painful slide in market share. Most analysts predicted that a wave of new product launches will begin to inch the world's largest automaker forward again. At the same time, Chrysler is expected to cough up some of its share — but not much.

Among importers, 1989 is shaping up as a strong year for Japan's No. 1 automaker, too. Analysts see Toyota as the company in the best position to hike market share. Honda and Nissan could make progress, too, some analysts said.

Most import losers will be based across the Atlantic, the analysts believe. Currency pressures and the absence of U.S. manufacturing bases could mean 12 months of nail-biting for European exporters.

The 10 analysts are: Wendy Beale, Smith Barney; Bernard Campbell, Data Resources Inc.; Arthur Davis, Prescott Ball & Turben; Jean-Claude Gruet, Salomon Brothers; David Healy, Drexel Burnham Lambert; Maryann Keller, Furman Selz Mager Dietz & Birney; Jack Kirnan, Kidder Peabody; Ann Knight, Paine Webber; Michael Luckey, Michael Luckey Consulting Group; and William Pochiluk, Autofacts Inc.

Here is a summary of their views:

Total U.S. sales

The analysts' projections show that U.S. consumers will take home about 15,023,000 vehicles this year. In comparison, total industry sales will come in at nearly 15.8 million when the 1988 numbers are tallied.

The 1989 forecasts ranged from

Davis: Aggressive pricing will hit the truck market in response to optimistic production schedules

Knight's and Luckey's estimates of 14.8 million to Campbell's 15.35 million.

Davis, who anticipates a total of 14.9 million, cited three main reasons for the decline. First, it will cost more to finance a car. Second, incentives offered early in 1988 "borrowed" some sales that would otherwise have occurred this year.

Finally, customers are going to be jolted when they get a glimpse of sticker prices. If you count the addition of standard items and other cost increases, cars will retail for nearly 6 percent more than they did last year, Davis said.

Gruet: "Mercedes demand held up well in 1988 so it may be more susceptible in 1989"

Though consumers will be confronted with higher interest rates, analysts believe that automakers will be offering generous incentives to help move inventory.

New-car sales in U.S.

Car sales will be down about 5.2 percent in 1989, according to the analysts' forecast. They predicted 10,025,000 units will be sold, compared to an estimated 10,570,000 for 1988. The most bullish estimate was Kirnan's 10.3 million. Beale and Davis offered the most bearish: 9.8 million.

"We're looking for a real slowdown in consumer durable spending," said Beale, who expects activity in that area to perk up in 1990.

Kirnan said he thinks the market will be relatively stable. He believes that some forecasts aren't taking into account the predictions for strong business spending in 1989. That will mean a boost for the fleet industry, which already accounts for about a third of the nation's car sales, Kirnan said. Leasing business will also grow as people become increasingly attracted to lower down payments and lower monthly payments, he said.

New-truck sales in U.S.

Truck sales are expected to slip just below 5 million this year, the analysts believe. They are projecting a total of 4.98 million units. Estimates ranged from Knight's and Luckey's 4.8 million to Campbell's 5.15 million.

Davis predicted aggressive pricing in the truck market. The Big 3 have entered the new year with high production schedules. "So to forecast a downturn in trucks, you're talking about plans being upset," he said.

On the imported-truck side, Luckey foresees a dip to 550,000

Healy: Ford's market share will rise 0.5 percentage points while GM will be off 0.5 percentage points

units from 600,000 in 1988. "Unless the dollar-yen exchange rate strengthens dramatically, there are going to be decisions to produce more small trucks here," he said. Luckey expects that will happen: "Five years from now, imported light trucks will be a small number."

Market-share gains, U.S.

GM is poised to make some gains against its domestic competitors this year, the analysts believe. But the gains will likely be small. Sig-

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HILTY

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since the first part of this year. And this doesn't usually happen — that sales are above trend — for any long period of time," Hilty said.

"We don't usually borrow from the future, and sales have been easing slightly since the peak. We think the auto industry peaked about mid-1986.

"We've been expecting a gradual easing, we don't think it will fall off a cliff in the near term, but we're keeping a wary eye out and are looking at our indicators to tell us if there's a chance in the next six months that things will deteriorate faster than that," Hilty said.

In 1989, consumer attitudes will "probably be easing downward mainly due to concern about interest rates," he said.

In total, rates will increase through the first part of the year and drop toward the end. On average for the year, the prime rate will be 10 percent, short rates will be 7¼ percent and long rates 9½ percent, he said.

"Consumers are concerned about interest rates because inflation seems to be picking up," Hilty said. "The Federal Reserve is very cautious, trying to keep a lid on inflation, and in order to do that they are causing rates to increase.

"This is getting wide reporting in the press, and consumers are quite sophisticated and are watching business conditions, especially because we've had such good times now for six years going on seven.

"Rising interest rates would lead them to believe that the economy would be forced to slow down," Hilty said.

Asked about the likely impact of any new gasoline tax, Hilty said, "I guess we have to define first what any new gas tax means. I think a gas tax of 25-50 cents phased in over four or five years would not dramatically hurt the auto industry.

"We do have a problem, the federal budget deficit is a problem, and all areas of the economy are going to be asked to contribute

AUTOMOTIVE NEWS/JOE WILSSENS

Hilty's prediction for 1989 is 10 million cars, 5 million trucks

toward (solving) this problem. This is probably the best contribution that the auto industry can make," he said.

A 25-cent-a-gallon tax would probably affect the industry by only about 25,000 units, and some of that potential loss could be offset by reduced interest rates, Hilty said.

"Increasing gasoline taxes would help lower interest rates, help the trade deficit and help us move toward a more stable energy policy," he said.

There is concern that a new gasoline tax would diminish the potential for states to increase taxes for building roads and bridges, Hilty said. "But when we look at Europe, they have higher gas taxes than here and it hasn't hurt their road construction. They have better roads and bridges than we do, and they also have a faster-growing auto industry," he said.

"I don't think a 20-to-50-cent tax would severely restrict the U.S. auto industry," he said.

Hilty further predicted that the 1989 U.S. employment rate would be 6 percent, with total employment at 117 million.

As for the overcapacity problem, Hilty said he believes it still has to be addressed and that more plant closures will occur, especially by 1992, when most of the announced transplant operations will be running at capacity.

"By that time, we'll probably need some more adjustments to traditional domestic capacity," Hilty said. However, there is a possibility that some transplants might bear some of the brunt of the overcapacity problem and not be able to run at full tilt, he said.

"A large unanswered part of the question is that there might be some exporting from U.S. transplants that might relieve some of the overcapacity. We'll be finding out as time goes on whether they'll find ready markets in Europe or other parts of the world," Hilty said.

American households are better off this year than last because real after-tax income is up. They will also be better off in 1989, he said.

Import-car penetration — at 2.8 million units not counting the transplants — will be 28 percent this year, down from around 29 percent in 1988, and import-truck sales will total 600,000 units, he said.

Car sales in Western Europe totaled 12.7 million in 1988; this year they will be down to about 12 million, he said.

European truck sales will fall from about 1.7 million in 1988 to about 1.5 million this year, Hilty said.

Hilty said that, considering real disposable income — after-tax income — American households are better off now and will continue to be better off in 1989 than they were last year.

This may be the worst time of the year to make predictions, though it is the time economists are asked to do so. "This time of year, we in the industry get a little anxious because, seasonally, we have low showroom traffic and sales are low because of holiday shopping and cold weather," Hilty said.

"Sales at this time of year are usually buoyed up by delivery to fleets. It's usually an anxious time and especially this year, with so much uncertainty, it's an anxious time trying to analyze what's going on."

In addition to the seasonal difficulties, analysts are getting some mixed signals because last year at this time "we had very innovative incentives that were quite successful, so year-over-year comparisons are difficult," Hilty said.

ANALYSTS

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nificant changes in any of the Big 3 positions don't appear to be in the cards.

GM's boost will come from the four-door GM10 sedans, which arrive on the market later this year. Chevrolet's Lumina could begin to sap the strength of Ford's Taurus. Analysts also said GM will be spurred by 1989 Cadillac models and the restyled Buick Riviera.

Kirnan thinks a key to GM's prospects will be renewed strength in the Midwest's economy. "One of the factors in GM's eroding share was that their most loyal buyers were in the oil patch and the Midwest," he said. "These areas were the worst performers in past years."

While most analysts picked GM, a few said Ford could lead the winners by adding another half-

Keller: Chrysler will give up some sectors of high-volume profit and go after higher profit per vehicle

point or so of market share.

Gruet is one of them. GM's new entries won't be on the market long enough to make much of a difference in 1989, he said. GM's turn will come in 1990.

In the meantime, Ford stands to gain in 1989 because it is building so many of its products on overtime, Gruet believes. "In an environment where car sales are going down, Ford is in the strongest position and therefore would gain the most in market share," he said.

Kirnan: Renewed strength in the Midwest's economy will help GM's market share

Market-share dips, U.S.

Chrysler was the analysts' most frequent pick, but any lost share won't be substantial.

Chrysler will shuffle much of its product lineup during the year, and that could limit availability. Gruet suggested that some replacements — such as K-car successors' Spirit and Acclaim — will be less popular because they'll cost more than their predecessors.

Keller said Chrysler's declining share will reflect a strategic decision. "They're giving up some sectors of the high-volume profit and going after higher profit per vehicle," she said.

Some analysts think Ford and Chrysler will take a hit as GM improves its position. Others see a flat year. Said Beale: "I don't think it will be a year of dramatic changes in market shares. There will be a battle of tenths of points among the Big 3."

Gains in share, imports

The analysts named a range of Asian makers as likely gainers in 1989, with Toyota getting the nod most often. The chief reason is a full year of Camry production at its plant in Georgetown, Ky., as well as Corolla output from the New United Motor Manufacturing Inc. plant in Fremont, Calif.

Honda could also make some gains. Campbell believes the Acura line will grow stronger, and there will be increased production from the Marysville, Ohio, plant. Gruet also picked Honda, because of the overall strength of its lineup.

Nissan was also mentioned. Kirnan believes the new 240-SX, the restyled Maxima, the redesigned 300-ZX and the Axxess station wagon will contribute to a rebound. And that's not counting the late-year launch of the Infiniti models.

Still another Japanese maker got a nod. Luckey believes Mitsubishi will gain because of its new, U.S.-built Eclipse and its expanding dealer network.

Other nameplates mentioned were Hyundai and Subaru, both of which will have new four-door

Knight: Rising interest rates will have an impact on consumer confidence

sedans on the market (Sonata and Loyale).

Losses in share, imports

There was no clear consensus on a single manufacturer here. But if the winners are going to be from Asia, the Europeans may be in for another rough year.

"There are so many little ones, they don't add up to one big guy at

Luckey: Imported trucks may drop 50,000 units, to 550,000 sales

all," said Davis.

Yugo received a few mentions, as did Volkswagen.

Gruet, after a thoughtful pause, picked Mercedes. He believes the most expensive end of the market will weaken first in a down year.

"Mercedes demand held up well in 1988, so it may be more susceptible in 1989" he said. Its 190 series could also feel the pinch from Toyota's Lexus and Nissan's Infiniti entries when they arrive this fall.

Other companies mentioned included Sterling, Porsche, Isuzu, Mitsubishi, Mazda and Subaru.

Interest rates

Most analysts were in agreement on interest rates. They believe rates will climb a bit at the start of the year and reach a peak around the second quarter. As the economy slows down, the Federal Reserve will be able to loosen its grip on the money supply and rates will begin to fall, they said.

U.S. economic growth

The economy will slow down in 1989, according to the analysts. Growth, as measured by gross national product, will average about 2.56 percent, a significant drop from a stronger-than-expected 1988. And U.S. exports, rather than consumer spending, are expected to fuel the growth.

Said Knight: "Paine Webber's forecast for 1989 is not a death and degradation scenario." She's looking at a 2.8 percent growth rate. A primary factor will be rising interest rates, which she believes will have an impact on consumer confidence.

Kirnan is bullish about the manufacturing sector. The nation's export competitiveness will be significantly enhanced if the dollar falls below the 120-yen mark, he said.

Consumer confidence

On this subject, the analysts generally agreed: Consumers will be keeping a closer watch on their pocketbooks in the coming year.

A chief cause is the anticipated rise in borrowing costs and consumer prices. "Interest rates and inflation rates historically hurt buying attitudes," said Luckey.

The analysts believe consumers

Pochiluk: Automakers will resort to "serious incentives" to entice buyers into showrooms

will be watching to see what kind of steps the Bush administration takes to reduce the budget deficit.

Pochiluk believes consumer confidence is clearly heading down. Consequently, manufacturers will resort to "serious incentives" to entice buyers into showrooms.

Automotive News Staff Reporters Louise Kertesz, Dutch Mandel and Philly Murtha in Detroit contributed to this report.

1989 Calendar Year Forecasts

	Wendy Beale *Smith Barney*	Bernard Campbell *Data Resources*	Arthur Davis *Prescott Ball & Turben*	Jean-Claude Gruet *Salomon Brothers*	David Healy *Drexel Burnham Lambert*	Maryann Keller *Furman Selz Mager Dietz & Birney*	Jack Kirnan *Kidder Peabody*	Ann Knight *Paine Webber*	Michael Luckey *Michael Luckey Consulting Group*	William Pochiluk *Autofacts Inc.*
Total Motor Vehicle Sales in U.S.	14.9 million	15.35 million	14.9 million	15.2 million	14.81 million	15.1 million	15.3 million	14.8 million	14.8 million	15.07 million
New Car Sales in U.S.	9.8 million	10.2 million	9.8 million	10.2 million	9.85 million	10.1 million	10.3 million	10.0 million	10.0 million	10.0 million
New Truck Sales in U.S.	5.1 million	5.15 million	5.1 million	5.0 million	4.96 million	5.0 million	5.0 million	4.8 million	4.8 million	5.07 million
% Import Car Sales	28.6%	30.07%	29.07%	27.9%	27.5%	28.7%	27.2%	30.0%	30.0%	30.4%
% Import Truck Sales	Below 12.0%	11.0%-12.0%	10.02%	10.4%	10.5%	11.1%	—	16.6%	11.45%	14.1%
Biggest New-Car Market Share Gainer, Big 3	GM	GM	None	Ford	Ford	GM	GM	GM	GM	GM and Ford
Biggest New-Car Market Share Loser, Big 3	Chrysler	Chrysler	None	Chrysler	GM	Chrysler	None	Ford and Chrysler	Ford and Chrysler	Chrysler
Biggest New-Car Market Share Gainer, Imports	Honda and Mistubishi	Honda and Toyota	Toyota	Honda	—	Toyota	Nissan	Korean makes	Toyota	Toyota and Nissan
Biggest New-Car Market Share Loser, Imports	—	Yugo	Many makes to lose small share	Mercedes	—	—	Mitsubishi, Mazda, Subaru, Isuzu	German makes	Volkswagen	Yugo, Volkswagen, Sterling, Isuzu
U.S. Economic Growth 1989 (GNP)	3.1%	2.4%-2.5%	2.0%-2.5%	3.0%	3.2%	—	1.3%	2.8%	2.5%	2.5%
Interest Rates 1989	Slight rise; peak at midyear	10.5% average for prime	Stable	Higher	Higher	—	10.7% average for prime	9.9% average for prime	Moderately higher	10.0% average for prime
Unemployment Rate 1989	5.2%	5.5%	5.3%	5.2%	4.9%	—	5.8%	5.3%	6.0%	5.5%
Consumer Attitudes 1989	Slightly down	Weaker	Weaker	Slightly weaker	—	—	Down a bit	Slightly down	Weaker	Slightly down
European Car Sales	Down 4%	Down 3%-6%	Flat	Down 4%	Flat	Down 3%-5%	Down about 5%	Down 3%-6%	—	—

PRODUCTION

'88 car build tops '87 by a whisker

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

Domestic automakers built 1,880,687 cars in the final quarter of 1988, 26.38 percent more than the third quarter's 1,488,090 and 7.87 percent above the year-ago quarter's 1,743,515.

The updated car production estimate for calendar-year 1988 stands at 7,101,953, slightly higher (0.10 percent) than the 1987 calendar year total of 7,094,992.

December's car output totaled 567,492, down 12.15 percent from November's 645,987 but 16.32 percent above the year-ago month's 487,877.

Automakers scheduled production of 116,612 cars last week, 10.70 percent more than the year-ago week's 105,338, when several plants were down for an extended holiday due to bloated inventory. Last week was shortened by the holiday.

Companies split last week's targeted production as follows: General Motors, 47.58 percent; Ford Motor Co., 28.79 percent; Chrysler Motors, 11.15 percent; Honda of America Manufacturing, 4.91 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.29 percent; New United Motor Manufacturing Inc., 2.57 percent; Nissan Motor Manufacturing Co. U.S.A., 1.33 percent and Diamond-Star Motors, 0.38 percent.

Truckmakers assembled 1,032,183 units in last year's fourth quarter, 10.26 percent more than the third quarter's 936,140 and 6.45 percent more than the year-ago quarter's 969,680.

The updated truck estimate for the 1988 calendar year is 4,133,886, 6.53 percent above the 3,880,342 built in 1987.

December production of 317,999 trucks was 11.36 percent below November's 358,746 but 11.39 percent above the year-ago month's 285,494.

Last week's scheduled truck output of 63,298 dropped 18.38 percent from the year-ago week's 77,551.

Canada cars up 26% for 1988

Canadian car production for the fourth quarter of last year totaled 225,433, up 21.23 percent from the third quarter's 185,957 but down 6.45 percent from the year-ago quarter's 240,983.

The updated calendar-year car estimate now stands at an 1,027,361, an increase of 26.84 percent over the 809,943 built in 1987.

December car output of 59,799 declined 24.37 percent from the November total of 79,071 and dropped 18.44 percent from the year-ago month's 73,323.

Truck output for the fourth quarter was 247,025, a gain of 28.39 percent over the third quarter's 192,399 and 25.29 percent more than the year-ago quarter's 197,158.

The updated calendar year truck production estimate is 933,838.

December's truck production of 71,174 was 21.98 percent below November's 91,224 but 23.83 percent above the year-ago month's 57,476.

U.S. CAR	Week Ended Jan. 7, 1989	Week Ended Jan. 8, 1988	Week Ended Dec. 24, 1988	Dec. Total	Jan. 1 to Jan. 7, 1989	Jan. 1 to Jan. 8, 1988
Allance	0	0	0	0	0	0
Total Eagle	0	0	0	0	0	0
Horizon	0	1,508	803	5,004	0	1,508
Sundance	1,700	2,000	2,747	9,480	1,700	2,000
Rallant	0	0	1,82	8,188	0	0
Acclaim	1,000	0	888	3,903	1,000	0
Caravelle	0	0	0	28	0	0
Gran Fury	0	232	177	715	0	232
Total Plymouth	2,700	3,741	6,558	28,675	2,700	3,741
LeBaron K	0	0	0	0	0	0
LeBaron J	1,500	0	2,888	10,788	1,500	0
LeBaron GTS	100	197	235	904	100	197
N. Yorker E-Class	0	0	0	0	0	0
N. Yorker C-Class	2,000	1,081	2,419	9,671	2,000	1,081
Fifth Avenue	0	1,298	576	3,125	0	1,298
Total Chrysler	3,600	2,536	5,796	23,688	3,600	2,536
Omni	0	1,434	797	4,994	0	1,434
Daytona	1,500	0	2,208	7,649	1,500	0
Shadow	1,500	2,010	2,122	8,[illegible]	[illegible]	[illegible]
Aries	0	0	1,771	7,572	0	0
Dodge 600	0	0	0	0	0	0
Dynasty	2,600	1,328	2,889	11,128	2,600	1,328
Lancer	100	208	192	748	100	208
Spirit	1,000	0	1,204	4,323	1,000	0
Diplomat	0	296	152	1,085	0	296
Total Dodge	6,700	5,276	11,305	46,466	6,700	5,276
CHRYSLER MOTORS	13,000	11,553	23,659	97,034	13,000	11,553
Escort	6,967	7,719	9,651	32,331	6,967	7,719
Mustang	2,762	4,357	4,207	14,965	2,762	4,357
Tempo	3,046	4,497	3,952	13,343	3,046	4,497
Taurus	6,686	6,943	8,886	30,093	6,686	[illegible]
Thunderbird	3,153	2,878	2,734	10,485	3,153	[illegible]
Total Ford Div.	22,616	26,394	29,432	101,217	22,616	[illegible]
Lynx	0	0	0	0	0	0
Topaz	1,156	1,654	1,489	5,321	1,156	1,654
Cougar	3,141	2,892	2,773	8,787	3,141	2,892
Sable	2,321	1,764	2,944	10,333	2,321	1,764
Total Mercury	6,618	6,310	7,206	24,441	6,618	6,310
Continental	1,447	702	1,514	5,764	1,447	702
Mark VII	725	627	748	2,872	725	627
Lincoln	2,171	3,323	2,274	8,650	2,171	3,323
Total Lincoln	4,343	4,652	4,536	17,286	4,343	4,652
Total L-M Division	10,961	10,962	11,742	41,727	10,961	10,962
FORD MOTOR CO.	33,577	37,356	41,174	142,944	33,577	37,356
Skyhawk	858	0	965	3,806	858	0
Skylark/Somerset	1,294	1,102	1,588	5,557	1,294	1,102
Century	2,592	1,179	3,383	11,540	2,592	1,179
Regal (rwd)	0	0	0	0	0	0
Riviera	519	0	637	2,236	519	0
Electra	1,997	1,719	2,496	8,399	1,997	1,719
LeSabre (fwd)	2,321	2,319	2,901	9,686	2,321	2,319
LeSabre (rwd)	172	204	184	804	172	204
Reatta	219	0	276	921	219	0
Total Buick	9,972	6,523	12,430	42,953	9,972	6,523
Cimmaron	0	254	0	0	0	254
Eldorado	612	0	751	2,635	612	0
Seville	464	0	569	1,991	464	0
Brougham (rwd)	852	0	1,049	3,470	852	0
Deville (fwd)	3,616	3,208	4,520	15,884	3,616	3,208
Allante	60	0	75	255	60	0
Total Cadillac	5,604	3,462	6,964	24,235	5,604	3,462
Cavalier	5,498	6,409	6,214	23,986	5,498	6,409
Camaro	2,076	0	2,460	8,437	2,076	0
Celebrity	3,584	2,845	4,315	14,699	3,584	2,845
Corsica/Beretta	5,028	4,352	9,358	32,372	5,028	4,352
Monte Carlo	0	0	0	0	0	0
Caprice	2,744	4,260	3,494	11,805	2,744	4,260
Corvette	360	258	450	1,530	360	258
Total Chevrolet	19,290	18,124	26,291	92,829	19,290	18,124
Calais	2,546	3,102	3,212	10,782	2,546	3,102
Firenza	0	0	0	0	0	0
Cutlass Ciera	1,340	0	1,663	5,654	1,340	0
Cutlass Supreme	0	0	3,604	10,793	0	0
Toronado	260	0	319	1,124	260	0
88 (fwd)	2,687	3,455	3,359	11,141	2,687	3,455
88 (rwd)	220	246	181	846	220	246
Olds 98	1,798	1,419	2,246	7,222	1,798	1,419
Total Oldsmobile	8,851	8,222	14,584	47,542	8,851	8,222
Sunbird	2,421	2,076	2,761	10,618	2,421	2,076
Grand Am	3,912	4,673	4,800	19,061	3,912	4,673
Firebird	1,306	0	1,574	5,419	1,306	0
Grand Prix	0	0	3,914	7,288	0	0
Pontiac 6000	1,652	36	2,378	8,127	1,652	36
Bonneville	2,377	1,935	2,971	9,153	2,377	1,935
Safari/Parisienne	96	24	107	390	96	24
Fiero	0	0	0	0	0	0
Total Pontiac	11,766	8,744	18,505	60,076	11,766	8,744
GENERAL MOTORS	55,483	45,075	78,774	267,635	55,483	45,075
DIAMOND-STAR	446	0	382	1,382	446	0
HONDA	5,720	6,250	7,608	25,669	5,720	6,250
Civic	1,920	1,423	2,418	8,392	1,920	1,423
Accord	3,800	4,827	5,190	17,277	3,800	4,827
MAZDA†	3,832	572	4,730	17,472	3,832	572
NISSAN	1,554	1,335	2,031	7,359	1,554	1,335
NUMMI	3,000	3,197	2,780	7,997	3,000	3,197
Corolla	2,000	1,183	1,981	6,461	2,000	1,183
Nova	1,000	2,014	799	1,536	1,000	2,014
VOLKSWAGEN	0	0	0	0	0	0
Golf/GTI	0	0	0	0	0	0
Jetta	0	0	0	0	0	0
Total Cars, U.S.	116,612	105,338	161,138	567,492	116,612	105,338
Total Cars, Canada	13,061	22,486	16,147	59,799	13,061	22,486
U.S., Canada Cars	129,673	127,824	177,285	627,291	129,673	127,824
U.S., Canada Cars and Trucks	209,558	221,472	277,2[illegible]	1,016,484	209,558	221,472

CANADIAN CAR	Week Ended Jan. 7, 1989	Week Ended Jan. 8, 1988	Week Ended Dec. 24, 1988	Dec. Total	Jan. 1 to Jan. 7, 1989	Jan. 1 to Jan. 8, 1988
Eagle	0	0	0	0	0	0
Premier	0	1,440	0	3,081	0	1,440
CHRYSLER MOTORS	0	1,440	0	3,081	0	1,440
Escort	0	0	0	0	0	0
Lynx	0	0	0	0	0	0
Tempo	3,094	4,236	3,327	11,337	3,094	4,236
Topaz	818	2,082	1,782	5,988	818	2,082
Sierra Versada	2,180	2,812	2,988	9,555	2,180	2,812
Grand Marquis	2,154	2,838	2,878	9,779	2,154	2,838
FORD MOTOR CO.	8,246	11,968	10,975	36,659	8,246	11,968
Celebrity	174	633	180	733	174	633
Cutlass Ciera	3,297	4,290	3,428	13,022	3,297	4,290
Cutlass Supreme	0	0	0	0	0	0
Grand Prix	0	0	0	0	0	0
Pontiac 6000	0	1,139	0	0	0	1,139
Regal	0	2,761	0	0	0	2,761
GENERAL MOTORS	3,471	8,823	3,608	13,755	3,471	8,823
Civic	1,199	—	1,505	5,385	1,199	—
Accord	0	—	0	0	0	—
HONDA	1,199	435	1,505	5,385	1,199	435
VOLVO	144	88	183	612	144	88
Total Cars, Canada	13,061	22,486	16,147	59,799	13,061	22,486

U.S. TRUCK*	Week Ended Jan. 7, 1989	Week Ended Jan. 8, 1988	Week Ended Dec. 24, 1988	Dec. Total	Jan. 1 to Jan. 7, 1989	Jan. 1 to Jan. 8, 1988
Caravan	2,000	1,614	2,206	8,549	2,000	1,614
Dakota	1,200	3,081	2,394	9,153	1,200	3,081
Mini-Ram Van	100	260	173	643	100	260
Pickups	1,200	1,528	2,398	9,149	1,200	1,528
Total Dodge	4,500	6,483	7,171	27,494	4,500	6,483
Cherokee	2,200	3,820	3,760	14,446	2,200	3,820
Commanche	300	982	707	2,773	300	982
Grand Wagoneer	200	0	350	1,190	200	0
Pickups	0	0	0	0	0	0
Wagoneer	100	310	205	758	100	310
Total Jeep	2,800	5,112	5,022	19,167	2,800	5,112
Voyager	1,900	1,538	1,894	7,105	1,900	1,538
Total Plymouth	1,900	1,538	1,894	7,105	1,900	1,538
CHRYSLER MOTORS	9,200	13,133	14,087	53,766	9,200	13,133
Aerostar	3,813	3,895	5,074	17,846	3,813	3,895
Bronco	1,739	1,252	1,663	6,560	1,739	1,252
Bronco II	1,810	2,970	2,887	10,651	1,810	2,970
Econoline	3,928	4,943	5,220	18,349	3,928	4,943
Heavy trucks	1,046	1,324	1,293	4,620	1,046	1,324
Light trucks	9,047	9,209	11,243	42,017	9,047	9,209
Ranger	4,946	6,518	7,213	26,610	4,946	6,518
Total Ford Div.	26,329	30,011	34,593	126,653	26,329	30,011
FORD MOTOR CO.	26,329	30,011	34,593	126,653	26,329	30,011
Astro	2,495	3,533	3,518	12,021	2,495	3,533
Blazer	559	536	525	1,967	559	536
Mediums/Heavies	0	434	0	1,317	0	434
P-Model	0	969	0	2,332	0	969
Pickups	6,956	5,856	8,677	32,398	6,956	5,856
S-10	4,170	5,063	1,958	18,505	4,170	5,063
S-10 Blazer	2,635	1,392	3,466	13,704	2,635	1,392
Sportsvan/Van	306	1,679	0	0	306	1,679
Suburban	1,542	1,252	1,551	5,681	1,542	1,252
Total Chevrolet	18,663	20,734	19,695	87,945	18,663	20,734
Jimmy	153	94	139	607	153	94
Mediums/Heavies	0	708	0	1,968	0	708
P-Model	0	42	0	153	0	42
Pickups	2,212	1,795	2,871	10,065	2,212	1,795
S-15	801	1,052	391	3,584	801	1,052
S-15 Jimmy	734	79	1,158	3,791	734	79
Safari	624	822	863	3,038	624	822
Suburban	455	694	492	2,105	455	694
Vandura/Rally Vans	86	601	0	0	86	601
Total GMC	5,065	5,887	5,914	25,311	5,065	5,887
GENERAL MOTORS	23,728	26,621	25,609	113,256	23,728	26,621
NAVISTAR	0	1,785	1,437	6,117	0	1,785
NISSAN	1,841	3,251	2,436	8,857	1,841	3,251
AM GENERAL*	350	450	450	1,530	360	450
MISCELLANEOUS*	1,840	2,300	2,300	7,820	1,840	2,300
Total Trucks, U.S.	63,298	77,551	80,912	317,999	63,298	77,551

CANADIAN TRUCK	Week Ended Jan. 7, 1989	Week Ended Jan. 8, 1988	Week Ended Dec. 24, 1988	Dec. Total	Jan. 1 to Jan. 7, 1989	Jan. 1 to Jan. 8, 1988
Caravan	2,730	3,001	2,893	11,483	2,730	3,001
Mini-Ram Van	170	216	167	684	170	216
Ram Wagon	528	0	625	2,207	528	0
Ram Van	1,352	0	1,824	6,057	1,352	0
Total Dodge	4,780	3,217	5,509	20,431	4,780	3,217
Voyager	2,220	2,781	2,092	8,596	2,220	2,781
Total Plymouth	2,220	2,781	2,092	8,596	2,220	2,781
Wrangler	680	724	1,326	4,396	680	724
Total Jeep	680	724	1,326	4,396	680	724
CHRYSLER MOTORS	7,680	6,722	8,927	33,423	7,680	6,722
FORD MTR. (lt. trks.)	2,736	3,466	3,591	11,884	2,736	3,466
Light trucks	2,913	2,551	3,604	13,486	2,913	2,551
Vans	1,246	1,084	1,595	5,454	1,246	1,084
Total Chevrolet	4,159	3,635	5,199	18,940	4,159	3,635
Light trucks	1,287	1,456	1,055	4,527	1,287	1,456
Vans	509	593	345	1,598	509	593
Total GMC	1,796	2,049	1,400	6,125	1,796	2,049
GENERAL MOTORS	5,955	5,684	5,599	25,065	5,955	5,684
NAVISTAR	216	225	277	822	216	225
Total Trks., Canada	16,587	16,097	19,394	71,174	16,587	16,097
U.S., Canada Trks.	79,885	93,648	100,306	389,173	79,885	93,648

*—Includes related van production. †—Estimated.
Car includes commercial cars. *All General includes government-contract vehicles.
Replacement imported passenger car from Mazda, Volvo-Volvo, Kawasaki, Suzuki, Peugeot, Mercedes-Benz, etc.